

certain hitech items from India into Russia using debt repayment funds from 1st January, 1997 with a view to accelerate the bilateral trade in general and hitech items in particular.

Sitting up a Centre in Andhra Pradesh by Spices Board

1153. SHRIMATI SARADA TADIPARTHI : Will the Minister of COMMERCE be pleased to state :

- (a) whether the Spices Board proposes to set up a centre for the development of spices in Andhra Pradesh;
- (b) if so, the details thereof; and
- (c) the steps taken to impart training to farmers to prevent over usages of pesticides to boost chilly export?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) Spices Board has a regional office at Hyderabad which is headed by an officer of the rank of Deputy Director. This office, in close coordination with Department of Horticulture, Andhra Pradesh is undertaking activities for the quality improvement, improvement of post harvest practices and development of Spices in Andhra Pradesh.

(c) Some of the steps taken/proposed to be taken to prevent over usage of pesticides to boost chilly exports include :

- (i) Introduction of integrated pest management programme in collaboration with Regional Agricultural Research Station (PARS), "LAM, Guntur" to reduce pesticide residue in chilly.
- (ii) Conducting programmes in Guntur, Khammam, Warrangal, Karimnagar and Prakasam districts for creation of awareness amongst the chilly growers on quality management and improved post-harvest handling of chillies with emphasis on need based application of pesticides.
- (iii) Supply of HDPE sheets at subsidised rates to chilly growers to overcome problem of fungal infestation, resulting in the occurrence of aflatoxins in chillies.

Export Growth and Bank's Credit to Exporters

1154. SHRI P.R. DASMUNSI : Will the Minister of COMMERCE be pleased to state :

- (a) the details of export and import growth including Balance of Payment position during Sixth and Seventh Plan period;
- (b) the position in view of part (a) above upto December 31, 1996 of the Eighth Plan period;
- (c) whether economic liberalisation policy and rupee devaluation time to time during the above period had

helped to stabilise India's Balance of Payment position in terms of dollar;

- (d) if so, the details thereof;
- (e) whether the exporters are facing any problem in view of increase the volume of trade due to Bank's credit restriction, more competition in liberal economy and some other problems; and
- (f) if so, the steps taken by the Government to meet the challenge?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) As per DGCI and S, data, the average annual rate of growth of exports and imports valued in US dollars during the 6th Plan (1980-85), 7th Plan (1985-90) and 8th Plan (1992 to April-Dec. 1996) are as follows :

Plans	Growth Rates (In % age)	
	Export	Import
VI Plan	4.7	6.5
VII Plan	11.6	8.2
VIII Plan (Upto Dec., 1996)	13.9	14.9

As per RBI data, the average level of current account deficit as percentage of GDP is placed at 1.3% for Sixth Plan, 2.2% for Seventh Plan, and at about 1.3% for Eighth Plan.

(c) and (d) The economic liberalisation policies including trade liberalisation and exchange rate policies have helped strengthening India's export base and maintaining export competitiveness abroad besides strengthening balance of payments position.

(e) and (f) Responding to the need for adequate export credit, efforts have been made to provide export credit in rupees and in foreign currency at interest rates linked to LIBOR at pre and post shipment stages. Commercial Banks are required to lend a minimum of 12% of net bank credit to the export sector. Flow of credit to the export sector is being monitored by RBI. The Government is constantly interacting with the RBI to ensure adequate availability of credit to the exporters both in foreign currency and rupee terms at competitive rates.

Incentive to Export Sectors

1155. DR. G.R. SARODE : Will the Minister of COMMERCE be pleased to state :

- (a) whether the Government propose to announce any incentives to boost export;
- (b) if so, the time by which these are likely to be announced; and
- (c) the sectors that are likely to be given priority for the export?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) The Government has been closely monitoring export performance and taking measures from time to time to boost exports. In this context, the Export and Import Policy, 1992-97 has provided a stable and dynamic policy framework for the operation of the various export promotion schemes therein, which are aimed at facilitating easy access to production inputs at competitive prices to augment productivity, modernisation and sustained growth of industry, agriculture and services so that exports could be further accelerated.

The new long term Exim Policy 1997-2002 which will come into effect from 1st April, 1997, will consolidate the achievements made possible through the 1992-97 Exim Policy.

(c) The thrust of the Export-Import Policy is on promoting exports from all sectors. However, such sectors which are high net foreign exchange earners would be given additional thrust.

Corruption in Issuing of Advance Licence

1156. SHRI G.A. CHARAN REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news-item appeared in "Hindustan Times", dated December 30, 1996 under captioned "Corruption alleged in advance lincence";

(b) if so, whether the Government have simplified the procedure for submitting the application forms for issuing the licences;

(c) if so, the details thereof;

(d) the reasons for delay in issuing licences to the exporters; and

(e) the action taken by the Government to check the malpractices in DGFT and expedite these cases relating to issuing the advance licences to the exporters within the time-limit framed by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Yes, Sir. Based on this news-report, the DGFT had sought clarification from the FIEO and the FIEO clarified on 10.1.1997 that they had carried out the study on procedural simplification based on a sample study. No such conclusion, as reported in the news-item, was drawn by them.

(b) and (c) Simplification of the procedure is an ongoing process and the procedural matters are kept under constant review. In the new EXIM Policy, which will come into effect from 1st April, 1997, the aspect of streamlining the procedure under the Advance Licensing Scheme is being given extra attention.

(d) Normally, Advance Licences are issued in time. Instances of occasional delays do occur in few cases for want of expert opinion of technical authorities and deficiency in filling of applications.

(e) Specific instances of delays are normally brought up in Open Houses and are dealt with on the spot. Further, there are Grievance Committees headed by DGFT at Hqrs. and by Zonal Heads in the four zones to deal with such cases. Counter Assistance cells have also been functioning in the various offices for the purpose of export facilitation.

Infrastructure Development Finance Company

1157. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government scaled down its equity in the proposed infrastructure development finance company on allowing large participation from various institutional investors;

(b) if so, the reasons therefor;

(c) whether Infrastructure Development Finance Company would be set up a non-government company with an independent Board of Directors; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) As a follow-up to the announcement made in the budget speech for 1996-97, an Infrastructure Development Finance Company (IDFC) with an authorised share capital of Rs. 5,000 crores has been incorporated on 30.01.1997 as a non-Government company. Out of the budgetary provision of Rs. 500 crores made in the current financial year as the contribution of the Central Government to the IDFC, Rs. 200 crores would be towards equity contribution and Rs. 300 crores will be provided as a long-term subordinated debt keeping in view the approved ownership pattern of the company.

Export of Fake Basmati Rice to Gulf

1158. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "Bid to curb sale of fake basmati in Gulf" appearing in the "Hindustan Times" dated January 21, 1997;

(b) if so, the number of complaints from the rice exporters received by the Government so far; and

(c) the steps taken by the Government to curb such practices used by the various countries including Saudi Arabia?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Yes, Sir.